

**TESTIMONY OF INSPECTOR GENERAL CHARLES C. MADDOX, ESQ.
BEFORE THE COMMITTEE ON GOVERNMENT OPERATIONS
OVERSIGHT HEARING ON THE "REPORT OF INVESTIGATION
OF FUNDRAISING ACTIVITIES OF THE EXECUTIVE OFFICE
OF THE MAYOR"**

DECEMBER 19, 2002

GOOD AFTERNOON, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE ON GOVERNMENT OPERATIONS. I HAVE BEEN ASKED TO TESTIFY BEFORE THE COMMITTEE CONCERNING OUR FOLLOWUP TO THE REFERRALS WE MADE IN OUR REPORT OF INVESTIGATION OF FUNDRAISING ACTIVITIES OF THE EXECUTIVE OFFICE OF THE MAYOR (HEREINAFTER, THE REPORT). SEATED WITH ME ARE AUSTIN ANDERSEN, MY PRINCIPAL DEPUTY; JERRY CAMPANE, DEPUTY FOR INVESTIGATIONS; AND KAREN BRANSON, GENERAL COUNSEL.

FIRST, I WOULD LIKE TO BRIEFLY SUMMARIZE SOME OF THE MOST IMPORTANT GOALS AND ACCOMPLISHMENTS OF THE ORIGINAL REPORT AND ITS REFERRALS:

1. AS COUNSEL FOR OCF HAS TESTIFIED, SEVERAL CURRENT DISTRICT GOVERNMENT OFFICIALS HAVE BEEN RECOMMENDED FOR DISCIPLINARY ACTIONS.
2. TWO SENIOR OFFICIALS WHO WERE INVOLVED IN THE FUNDRAISING IRREGULARITIES HAVE LEFT THEIR POSITIONS.
3. WE ACCOUNTED FOR NEARLY EVERY DOLLAR OF THE \$1.4 MILLION RAISED IN THE EVENTS THAT WE ADDRESSED. IN DOING SO, WE DID NOT FIND EVIDENCE OF INSTITUTIONAL CORRUPTION, WIDESPREAD PERSONAL ENRICHMENT, DIVERSION OF FUNDS TO NONOFFICIAL OR CAMPAIGN PURPOSES, BRIBES, OR QUID PRO QUO ARRANGEMENTS.
4. I BELIEVE THAT OUR INVESTIGATION WAS IN LARGE PART RESPONSIBLE FOR PROMPTING THE ISSUANCE OF THE MAYOR'S ORDER AND MEMORANDUM THAT CREATED POLICY AND PROCEDURES FOR FUNDRAISING FOR THE FIRST TIME SINCE THE PASSAGE IN 1992 OF LEGISLATION PERMITTING THE DISTRICT GOVERNMENT TO ACCEPT FUNDING TO AUGMENT ITS BUDGET.

5. WE TOOK THE TIME AND EFFORT TO REVIEW ALL OF THE LAWS, REGULATIONS, AND INTERPRETATIVE OPINIONS THAT ADDRESS GIFTS TO THE DISTRICT GOVERNMENT. WE DID THIS NOT WITH THE INTENT TO CREATE, INTERPRET, OR REVISE EXISTING LAWS – THAT IS THE FUNCTION OF THE MAYOR AND THE COUNCIL WITH THE ASSISTANCE OF THE CORPORATION COUNSEL AND THE OFFICE OF CAMPAIGN FINANCE. INSTEAD, OUR FUNCTION WAS TO DETERMINE WHETHER SUFFICIENT POLICIES AND PROCEDURES ARE IN PLACE TO ENSURE ACCOUNTABILITY, LEGAL COMPLIANCE, AND THE AVOIDANCE OF RISKING THE LOSS OF PUBLIC CONFIDENCE IN GOVERNMENT. SPECIFICALLY, OFFICIAL ACTION, SUCH AS SOLICITING MONEY FROM DISTRICT CONTRACTORS IN UNREGULATED AND OFTEN UNDISCLOSED AMOUNTS, CREATES LEGITIMATE CONCERN ABOUT THE POTENTIAL FOR CONFLICT OF INTEREST, ABUSE OF AUTHORITY, AND FAVORITISM.
6. DESPITE SIGNIFICANT RULEMAKING PROGRESS BY THE MAYOR’S OFFICE, WE HAVE CONCLUDED THAT POLICIES AND PROCEDURES TO IMPLEMENT THE DISTRICT’S LEGAL AUTHORITY TO RAISE FUNDS FOR OFFICIAL PURPOSES ARE STILL NOT ADEQUATE OR CLEAR ENOUGH. FOR THAT REASON, I MADE A NUMBER OF SPECIFIC PROPOSALS FOR IMPROVEMENT AT THE TIME WE ISSUED OUR REPORT, WHICH I ELABORATED ON BEFORE THIS COUNCIL DURING THE LAST HEARING ON FUNDRAISING, AND AGAIN NOW. WITHOUT FURTHER CLARIFICATION OF THE RULES AND ADDITIONAL SAFEGUARDS AGAINST ABUSE, I HAVE CONCERN THAT GOVERNMENT EMPLOYEES WILL REPEAT MANY OF THE PROBLEMS THAT PROMPTED OUR INVESTIGATION.

I WILL NOW ADDRESS OUR REFERRALS AND THE RESPONSES WE HAVE RECEIVED TO DATE.

THE GENERAL AND SPECIFIC RECOMMENDATIONS AND REFERRALS BEGIN ON PAGE 31 OF MY MARCH 28, 2002, REPORT. AS YOU KNOW, THE 198 PAGE REPORT IS AN EXHAUSTIVE ANALYSIS OF NINE FUNDRAISING ACTIVITIES ASSOCIATED WITH THE EXECUTIVE OFFICE OF THE MAYOR. IT WAS PURPOSELY DETAILED AND STRUCTURED WITH THE INTENTION THAT IT WOULD PROVIDE A ROAD MAP ON WHICH TO BASE CHANGE. ACCORDINGLY, WE REFERRED OUR FINDINGS AND RECOMMENDATIONS TO FEDERAL AND DISTRICT GOVERNMENT OFFICIALS FOR PROSECUTORIAL, REGULATORY, LEGISLATIVE AND ADMINISTRATIVE REVIEW.

I WILL SUMMARIZE OUR REFERRALS AND RECOMMENDATIONS TODAY – ESPECIALLY THOSE THAT RELATE TO THE NEED FOR LEGISLATIVE REFORM IN ORDER TO EMPHASIZE MY VIEW THAT GENERAL STANDARDS OF CONDUCT AND SPECIFIC RULES FOR SOLICITING AND ACCEPTING GIFTS MUST BE CLARIFIED AND IMPROVED. GOVERNMENT EMPLOYEES NEED CLEAR AND UNDERSTANDABLE STANDARDS TO GUIDE THEIR FUNDRAISING ACTIVITIES. AS STATED IN THE REPORT, MUCH OF THE CONFUSION AND EVEN MISCONDUCT ENCOUNTERED IN OUR FUNDRAISING INVESTIGATION MIGHT HAVE BEEN AVOIDED HAD SUFFICIENT GUIDANCE BEEN IN PLACE.

IN AN EFFORT TO ASSIST THE ENTITIES TO WHOM THE REPORT IS REFERRED, WE PRESUMED TO OFFER OUR OPINION AS TO THE POTENTIAL APPLICABILITY OF CERTAIN LAWS, SUCH AS THE ANTI-DEFICIENCY ACT, AND THE DISTRICT PERSONNEL MANUAL’S STANDARDS OF CONDUCT. WE RECOGNIZE THAT WE DO NOT RENDER FORMAL LEGAL OPINIONS ON BEHALF OF THE DISTRICT GOVERNMENT, NOR DO WE RECOMMEND THAT SPECIFIC DISCIPLINARY ACTION BE TAKEN AGAINST DISTRICT GOVERNMENT EMPLOYEES. INSTEAD, IT WAS OUR INTENT THAT RESPONSIBLE ENFORCEMENT AGENCIES REVIEW OUR REPORT AND DETERMINE WHETHER ADDITIONAL ACTION WITHIN THEIR JURISDICTION WAS WARRANTED.

WE INITIALLY REQUESTED THAT THE RESPONSIBLE ENTITIES RESPOND TO US WITHIN THIRTY DAYS. THIS DEADLINE PROVED TO BE UNREALISTIC, AND EXTENSIONS TO THE DEADLINE WERE GRANTED AS REQUESTED AND JUSTIFIED. I AM PLEASED TO REPORT THAT ALMOST ALL OF THE REFERRALS HAVE BEEN RESOLVED – AND I WANT TO COMPLIMENT PARTICULARLY THE DISTRICT AGENCIES THAT WERE RESPONSIVE TO THESE REFERRALS. IN ADDITION TO SUMMARIZING THE RESPONSES WE RECEIVED, I ALSO AM PROVIDING THE COMMITTEE TODAY WITH A COPY OF THE FORMAL RESPONSES FOR THE COUNCIL’S OFFICIAL RECORD.

FIRST, WE REFERRED THE ENTIRE REPORT TO THE UNITED STATES ATTORNEY'S OFFICE FOR PROSECUTORIAL CONSIDERATION. BY LETTER DATED OCTOBER 3, 2002, THE UNITED STATES ATTORNEY ADVISED THAT HIS OFFICE DECLINED CRIMINAL PROSECUTION OF THE CONDUCT DESCRIBED IN THE REPORT.

SECOND, WE REFERRED THE FINDINGS THAT WE BELIEVE MIGHT IMPLICATE THE HATCH ACT TO THE U.S. OFFICE OF SPECIAL COUNSEL (OSC). BY LETTER DATED SEPTEMBER 26, 2002, THAT OFFICE ADVISED THAT ITS INVESTIGATION FOUND NO INFORMATION TO INDICATE THAT THE FUNDRAISING ACTIVITIES OF CURRENT EOM EMPLOYEES VIOLATED THE HATCH ACT. WITH RESPECT TO FORMER EOM EMPLOYEES, THE OSC ADVISED THAT IT HAS NO JURISDICTION TO PURSUE ENFORCEMENT ACTIONS BECAUSE NONE OF THE FORMER EMPLOYEES ARE EMPLOYED IN A COVERED POSITION WITHIN THE DISTRICT OR FEDERAL GOVERNMENTS.

THIRD, WE REFERRED THE FINDINGS CONCERNING POSSIBLE VIOLATIONS OF THE ANTI-DEFICIENCY ACT TO THE OFFICE OF THE CORPORATION COUNSEL (OCC). WE ALSO REQUESTED THAT OCC EVALUATE WHETHER CERTAIN EOM EMPLOYEE FUNDRAISING WAS CONDUCTED IN THE EMPLOYEES' PERSONAL CAPACITY AND, CONSEQUENTLY, WHETHER THE STANDARDS OF CONDUCT WERE IMPLICATED. BY LETTER DATED AUGUST 19, 2002, THAT OFFICE PROVIDED ITS OPINION WITH RESPECT TO BOTH ISSUES. THE OCC OPINED THAT AN ANTI-DEFICIENCY VIOLATION DID NOT OCCUR. HOWEVER, THE OCC'S OPINION NOTED THAT THE COMPTROLLER GENERAL OF THE UNITED STATES WAS THE FINAL AUTHORITY ON ANTI-DEFICIENCY ACT MATTERS, AND SUGGESTED THAT THE OIG CONSIDER A FURTHER REFERRAL TO THAT AGENCY.

FOURTH, WE REFERRED THE FINDINGS OF EMPLOYEE MISCONDUCT TO THE OFFICE OF CAMPAIGN FINANCE, WHICH HAS ENFORCEMENT RESPONSIBILITY FOR THE STANDARDS OF CONDUCT FOR, *INTER ALIA*, THE MAYOR, MEMBERS OF THE COUNCIL, EXECUTIVE SERVICE EMPLOYEES AND CERTAIN EMPLOYEES IN

THE EXCEPTED SERVICE WHO ARE PAID AT A DS-13 RATE AND ABOVE. THAT OFFICE CONDUCTED INDEPENDENT HEARINGS AND, ON OCTOBER 29, 2002, ISSUED 16 ORDERS RELATIVE TO ITS CONCLUSIONS.

FIFTH, WE REFERRED A NUMBER OF ISSUES TO THE CHIEF FINANCIAL OFFICER. WE ASKED HIS OFFICE TO CONSIDER THE REPORT'S FINDINGS WITH RESPECT TO THE ANTI-DEFICIENCY ACT, WITH RESPECT TO THE TAX IMPLICATIONS OF THE FUNDS RAISED BY THE EOM AND NONPROFIT ORGANIZATIONS, AND WITH RESPECT TO THE MISCONDUCT OF DISTRICT AGENCY EMPLOYEES UNDER THE AUTHORITY OF THE CFO.

WE ALSO REFERRED THE TAX ISSUES TO THE INTERNAL REVENUE SERVICE (IRS). REPRESENTATIVES OF THE OIG, IRS AND THE DISTRICT'S OFFICE OF TAX AND REVENUE (OTR) MET AND DISCUSSED THE REPORT'S FINDINGS IN DETAIL. THE IRS AGREED TO TAKE THE REPORT UNDER ADVISEMENT. THE OFFICE OF TAX AND REVENUE INDICATED THAT IN VIEW OF THE FACT THAT DISTRICT AND FEDERAL TAX LAWS DOVETAIL IN MANY RESPECTS, OTR WOULD COORDINATE AND COOPERATE WITH THE IRS AS IT EVALUATES THE FEDERAL TAX IMPLICATIONS OF THE ISSUES IDENTIFIED IN THE REPORT. ONCE THE IRS HAS MADE ITS DETERMINATIONS, OTR WOULD THEN DETERMINE WHETHER THERE ARE TAX IMPLICATIONS FOR THE DISTRICT. TO DATE, THE OTR HAS NOT RESPONDED TO THE TAX-RELATED REFERRALS. THE CFO HAS NOT AS YET RESPONDED TO THE ANTI-DEFICIENCY ACT REFERRAL, ALTHOUGH WE HAVE BEEN VERBALLY ADVISED THAT THE OFFICE OF THE CFO GENERALLY AGREES WITH THE OPINION OF THE OFFICE OF CORPORATION COUNSEL. WE HAVE BEEN ADVISED THAT THE CFO HAS TAKEN DISCIPLINARY ACTION AGAINST ITS EMPLOYEES AS WARRANTED.

WE INTEND TO FURNISH THE COMPTROLLER GENERAL WITH A COPY OF OUR REPORT, WITH THE OPINION WE RECEIVED FROM OCC, AND THE OPINION WE

ARE WAITING TO RECEIVE FROM THE CFO REGARDING THE ANTI-DEFICIENCY ISSUE.

SIXTH, WE MADE A NUMBER OF RECOMMENDATIONS AND REFERRALS TO THE EOM AND HAVE MET WITH AND DISCUSSED THESE ISSUES WITH THE MAYOR'S GENERAL COUNSEL. I HAVE RECEIVED ASSURANCE FROM THE EOM THAT IT WOULD ASSUME RESPONSIBILITY TO ENSURE THAT AGENCY HEADS ADMINISTER DISCIPLINARY ACTION AGAINST EMPLOYEES IDENTIFIED IN THE REPORT, AS WELL AS IN THE OFFICE OF CAMPAIGN FINANCE ORDERS, AS HAVING ENGAGED IN MISCONDUCT.

WITH REGARD TO FINANCIAL OBLIGATIONS OWED TO EVENT VENDORS, WE RECOMMENDED THAT THE EOM ENDEAVOR TO ADDRESS ANY OUTSTANDING ACCOUNTING MATTERS. THE EOM HAS REPORTED TO ME THAT IT HAS STRENGTHENED THE DISTRICT GOVERNMENT'S ETHICS TRAINING PROGRAM. MANDATORY FOLLOW-UP TRAINING WAS CONDUCTED IN FY 2002 BY THE GOVERNMENT ETHICS COUNSELOR, THE OCF GENERAL COUNSEL AND CHIEF OF STAFF, AND STAFF COUNSEL FROM THE UNITED STATES OFFICE OF THE SPECIAL COUNSEL.

BECAUSE WE BELIEVE THE STANDARDS OF CONDUCT REQUIRE CLEAR AND DEFINITIVE REGULATIONS REGARDING THE PARAMETERS OF OFFICIAL SOLICITATION AND GIFT ACCEPTANCE FOR DISTRICT GOVERNMENT EMPLOYEES, WE RECOMMENDED THAT THE EOM WORK WITH THE COUNCIL TO REVISE THE STANDARDS AS APPROPRIATE.

WE RECOMMENDED THAT THE MAYOR CONSIDER SEVERAL REVISIONS TO THE POLICY SET FORTH IN MAYOR'S ORDER 2002-2 AND MAYOR'S MEMORANDUM 2002-1, AND THAT THE DIRECTOR OF THE OFFICE OF PARTNERSHIPS AND GRANTS DEVELOPMENT CLOSELY SCRUTINIZE ALL APPLICATIONS FOR GIFT

APPROVAL AND MAKE CERTAIN THAT ALL MONETARY DONATIONS ARE PROMPTLY DEPOSITED INTO THE DISTRICT TREASURY.

MAYOR'S ORDER 2002-2 ACKNOWLEDGES THAT THE DISTRICT'S ANNUAL APPROPRIATIONS ACT PROVIDES CONGRESSIONAL AUTHORITY FOR AUGMENTING THE DISTRICT'S BUDGET THROUGH THE USE OF PRIVATE RESOURCES. FURTHERMORE, THE ORDER CREATES A NEW OFFICE TO ENFORCE MANDATORY ACCOUNTING AND DISCLOSURE SAFEGUARDS.

WHILE WE CONSIDER THIS POLICY A GOOD START, WE HAVE MADE A NUMBER OF SPECIFIC RECOMMENDATIONS FOR REGULATORY AND LEGISLATIVE REFORM OF THE FUNDRAISING PROCESS THAT HAVE NOT YET BEEN ADDRESSED. SOME OF THESE ARE SUMMARIZED AS FOLLOWS:

- WE RECOMMEND THAT THE MAYOR'S MEMORANDUM BE AMENDED TO PROVIDE DEFINITIONS OF PRIVATE FUNDRAISING AND OFFICIAL FUNDRAISING TO ENABLE EMPLOYEES TO UNDERSTAND WHEN THEY ARE ACTING IN THEIR OFFICIAL RATHER THAN IN THEIR PERSONAL CAPACITIES. THIS IS NECESSARY IN ORDER TO APPLY THE STANDARDS OF CONDUCT THAT REFER TO GIFT ACCEPTANCE BY DISTRICT GOVERNMENT EMPLOYEES. MODEL LANGUAGE FOR THESE DEFINITIONS CAN BE FOUND IN THE FEDERAL STANDARDS OF CONDUCT FOR EMPLOYEES, 5 CFR § 2635.808 (FUNDRAISING ACTIVITIES). SIMILAR LANGUAGE SHOULD BE PLACED IN THE STANDARDS OF CONDUCT SECTION IN THE DISTRICT'S PERSONNEL MANUAL.
- THE MAYOR'S ORDER SHOULD PROVIDE GUIDANCE CONCERNING LIMITATIONS ON THE VALUE OF DONATIONS AND THEIR FREQUENCY, AS IS THE CASE WITH LAWS REGULATING THE CONSTITUENT SERVICES FUND AND POLITICAL FUNDRAISING. AS WITH OTHER TYPES OF FUNDRAISING, LIMITATIONS ON AMOUNTS SOLICITED FROM ORGANIZATIONS THAT HAVE A FINANCIAL INTEREST IN THEIR RELATIONSHIP WITH THE

DISTRICT GOVERNMENT HELP DISPEL AN APPEARANCE THAT FAVORABLE TREATMENT WOULD BE GIVEN TO LARGE DONORS.

- “PARTNERING” MUST BE MORE CAREFULLY DEFINED AND REGULATED IN ORDER TO AVOID THE SAME CONFUSION AND MISCONDUCT THAT WE FOUND IN THIS INVESTIGATION, SUCH AS THE SOLICITATION OF FUNDS ON BEHALF OF AND IN THE NAME OF NON-PROFIT ORGANIZATIONS; TRANSFERRING FUNDS FROM PRIVATE ENTITY PARTNERS INTO GOVERNMENT CUSTODY; TAKING CONTROL OF THE MANAGEMENT, FINANCIAL ACCOUNTING AND/OR ADMINISTRATION OF PRIVATE ENTITIES; AND SOLICITATION OF FUNDS THROUGH A PRIVATE ENTITY FOR NONOFFICIAL PURPOSES.
- RULES FOR *SOLICITING* FUNDS SHOULD BE MORE STRINGENT THAN FOR THOSE GOVERNING THE ACCEPTANCE OF AN UNSOLICITED GIFT. THE ACCEPTANCE OF GIFTS GIVEN *SUA SPONTE* AND THE SOLCITATION OF MONEY BY GOVERNMENT OFFICIALS ARE TWO DISCRETE FUNCTIONS, WITH THE LATTER IMPLICATING SEVERAL ETHICAL AND LEGAL RISKS, SUCH AS EXERTING UNDUE PRESSURE ON DONORS, PROMISING OR IMPLYING SPECIAL TREATMENT, OR IGNORING A CONFLICT OF INTEREST. THESE RISKS ARE NOT LESSENERED BY THE FACT THAT MOST DONORS WHO ARE LIKELY TO CONTRIBUTE TO THE DISTRICT GOVERNMENT ARE THOSE WHO CONDUCT BUSINESS WITH OR ARE REGULATED BY THE DISTRICT GOVERNMENT. AGAIN, THE FEDERAL MODEL IS INSTRUCTIVE. SOLICITATION IS NOT COMMON AMONG FEDERAL AGENCIES; INDEED, SOME FEDERAL AGENCIES WITH GIFT ACCEPTANCE AUTHORITY PROHIBIT SOLICITATION ALTOGETHER, SOME LIMIT SOLICITATION TO CHARITABLE CAUSES AND DISASTER RELIEF, AND OTHERS LIMIT THE AUTHORITY TO A SINGLE PERSON.
- DONATION AGREEMENTS SHOULD BE IN WRITING, SHOULD REQUIRE CERTIFICATION THAT THE DONATION WILL BE USED TO FULFILL AN AUTHORIZED FUNCTION, AND SHOULD INDICATE WHETHER THE DONOR CONDUCTS BUSINESS, IS SEEKING TO DO BUSINESS WITH, OR IS

REGULATED BY THE DISTRICT IF THE AGREED UPON DONATION IS OVER A CERTAIN DOLLAR VALUE. THE FORM SHOULD ALSO INDICATE WHETHER THE GIFT IS THE RESULT OF A SOLICITATION.

- THE MAYOR'S ORDER DOES NOT LIMIT TO WHOM OR UNDER WHAT CIRCUMSTANCES SOLICITATION OR GIFT ACCEPTANCE AUTHORITY MAY BE SUB-DELEGATED. THEREFORE, SUCH SUB-DELEGATION MAY, OVER TIME, BE GRANTED TO AGENCY HEADS AND MANY OTHER DISTRICT EMPLOYEES, POSSIBLY RESULTING IN A PROLIFERATION OF SOLICITING ACTIVITY BY EMPLOYEES WITH MINIMAL LEGAL AND ETHICS TRAINING. EVEN IN INSTANCES WHERE DISTRICT LAWS ARE FOLLOWED, THE NATURE, VALUE, OR FREQUENCY OF SOLICITATIONS CAN AFFECT THE PUBLIC'S CONFIDENCE IN GOVERNMENT.
- THE MAYOR'S ORDER IS NOT APPLICABLE TO ALL BRANCHES OF THE DISTRICT GOVERNMENT WITH GIFT ACCEPTANCE AUTHORITY, EVEN THOUGH ALL GIFT ACCEPTANCE DERIVES FROM THE SAME FEDERAL LAW. IT IS RECOMMENDED THAT THE COUNCIL CONSIDER MY RECOMMENDATIONS AS WELL AS THE MAYOR'S ORDER AS THE BASIS FOR DISTRICT WIDE REGULATIONS COVERING GIFT ACCEPTANCE.
- FINALLY, I RECOMMEND THAT THE MAYOR AND THE COUNCIL REVISE THE DISTRICT'S STANDARDS OF CONDUCT IN ORDER TO ESTABLISH CLEAR AND DEFINITIVE REGULATIONS REGARDING THE PARAMETERS OF OFFICIAL GIFT ACCEPTANCE FOR DISTRICT GOVERNMENT PERSONNEL.

CLEAR RULES THAT LIMIT OFFICIAL FUNDRAISING ARE NECESSARY IF WE ARE TO AVOID THE APPEARANCE OF IMPROPRIETY THAT OFTEN RESULTS WHEN GOVERNMENT OFFICIALS SOLICIT FUNDS FROM THE PRIVATE SECTOR. WE SHOULD AVOID THE APPEARANCE OF IMPROPRIETY, ESPECIALLY WHEN GOVERNMENT OFFICIALS SOLICIT FUNDS FROM COMPANIES THAT COMPETE FOR CONTRACTS WITH THE DISTRICT GOVERNMENT OR ARE REGULATED BY THE DISTRICT GOVERNMENT.

THIS CONCLUDES MY TESTIMONY, AND I WILL BE HAPPY TO ANSWER
QUESTIONS OR PROVIDE INFORMATION, AS APPROPRIATE, AT THIS TIME.